

**Appendix Table 1
Industry Classification**

Fama-French Industry	Our Sample	KLD-MSCI Population
Food	2.19%	3.46%
Mining and Minerals	0.84%	1.30%
Oil and Petroleum Products	5.29%	3.46%
Textiles, Apparel and Footwear	0.74%	2.34%
Consumer Durables	0.56%	1.69%
Chemicals	1.31%	3.21%
Drugs, Soap, Perfume, Tobacco	3.76%	3.95%
Construction and Construction Materials	2.18%	4.00%
Steel Works	1.17%	1.82%
Fabricated Products	0.18%	1.10%
Machinery and Business Equipment	10.76%	12.14%
Automobiles	1.94%	1.97%
Transportation	6.70%	7.31%
Utilities	4.04%	5.82%
Retail Stores	8.33%	7.01%
Banks, Insurance Companies, and Other Financials	25.41%	11.61%
Other	24.60%	27.81%
	100.00%	100.00%

Appendix Table 1 presents the industry breakdown of our sample and the KLD-MSCI/Execucomp merged population using the Fama-French 17 industry classification scheme.

Appendix Table 2
CEO Sorting: Firm and Industry CSR Measures

	CSR Net Score		Sin Industry	
	(1)	(2)	(3)	(4)
<i>Intercept</i>	-1.3411** (-2.12)	-2.4005*** (-2.65)	-0.9519*** (-2.72)	-2.0830*** (-3.08)
<i>CSR Net Score</i>	-0.0407 (-1.08)	-0.0477 (-1.01)		
<i>Sin Industry</i>			1.1324*** (2.62)	0.6275 (1.14)
<i>Size</i>	0.1043 (1.56)	0.1956** (1.98)	0.0482 (1.15)	0.1655** (2.10)
<i>Return on Assets</i>	2.3983** (2.15)	3.3499** (2.44)	1.4923** (2.24)	2.2442* (1.87)
<i>Market-to-Book</i>	-0.0246 (-1.60)	-0.0351* (-1.81)	-0.0202* (-1.66)	-0.0337 (-1.48)
<i>Debt-to-Equity</i>	-0.0030 (-0.18)	0.0396 (0.75)	0.0015 (0.11)	0.0614 (1.35)
<i>Industry Compensation</i>	0.0001 (0.75)	0.0002 (0.95)	0.0002* (1.67)	0.0002 (1.36)
<i>Institutional Holdings</i>		-0.0003 (-0.67)		-0.0004 (-0.92)
Observations	514	350	888	463
Pseudo R Squared	0.02	0.03	0.02	0.03

***Significant at the 1% level; **5% level; * 10% level.

Appendix Table 2 presents results of estimates of regressions of CSR scores in the year prior to the CEO joining the firm and sin industry status. The variables are defined as follows: the dependent variable, *Material*, is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, and any additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *Sin Industry* is an indicator variable that equals 1 if the firm belongs to a 'sin' industry, as defined by KLD (firms in the following industries: alcohol, tobacco, gambling, firearms, and nuclear energy), 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Industry Compensation* is the median total compensation in the firm's industry; *Institutional Holdings* is the number of shares of the firm's stock held by institutions.

Appendix Table 3
Two Way Fixed Effects Model: CEO and Firm Fixed Effects

	CSR Net Score	CSR Strengths	CSR Weaknesses
	(1)	(2)	(3)
<i>Size</i>	-0.1335 (-1.14)	0.0555 (0.63)	0.1890** (2.39)
<i>Return on Assets</i>	1.0031 (0.96)	-2.7982*** (-3.51)	-3.80131*** (-5.34)
<i>Market-to-Book</i>	-0.0098 (-1.01)	-0.0157** (-2.12)	-0.0059 (-0.29)
<i>Debt-to-Equity</i>	0.0009 (0.11)	0.0083 (1.32)	0.0074 (0.49)
<i>Financial Constraint</i>	-0.04 (-0.72)	-0.02 (-0.48)	0.02 (0.53)
<i>Abnormal Return</i>	0.0240 (0.37)	-0.0367 (-0.75)	-0.0607 (-1.40)
<i>CEO Tenure</i>	-0.0678** (-2.59)	0.1215*** (6.10)	0.1893*** (10.66)
<i>CEO Wealth</i>	0.0378 (0.67)	-0.0553 (-1.29)	-0.0931** (-2.44)
<i>Institutional Holdings</i>	0.0005 (1.35)	0.0003 (1.14)	-0.0002 (-0.72)
CEO Fixed Effects	Yes	Yes	Yes
Firm Fixed Effects	Yes	Yes	Yes
Observations	953	953	953
Firms	140	140	140
CEOs who do not switch	131	131	131
CEOs who switch	55	55	55
<i>Proportion of Variance explained by:</i>			
R Squared: CEO Fixed Effect	0.53	0.55	0.74
R Squared: Firm Fixed Effect	0.28	0.27	0.09
R Squared: Model	0.82	0.87	0.87

***Significant at the 1% level; **5% level; * 10% level.

Appendix Table 3 presents the results of estimates of equation (1). The variables are defined as follows: *CSR Net Score* is the net CSR score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Strengths* is strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Weaknesses* is weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007); *Institutional Holdings* is the number of shares of the firm's stock held by institutions.

Appendix Table 4
Two Way Fixed Effects Model: CEO and Firm Fixed Effects

	R&D	Dividends	BV Equity	Inst Holdings	Inst Holdings/ BV Equity
	(1)	(2)	(3)	(4)	(5)
<i>Size</i>	0.0051 (1.60)	0.033** (2.52)	2381.692*** (14.25)	-0.0046*** (-3.88)	0.0092 (0.44)
<i>Return on Assets</i>	-0.2313*** (-8.09)	-0.4025*** (-3.42)	-6550.128*** (-4.36)	0.0628*** (5.87)	-0.3202* (-1.67)
<i>Market-to-Book</i>	0.0004 (1.37)	0.0169*** (14.72)	-42.4195*** (-2.89)	0.0001 (0.35)	0.0327*** (18.43)
<i>Debt-to-Equity</i>	-0.0001 (-0.53)	0.0001 (0.20)	33.2314*** (4.55)	0.0001 (0.86)	0.0421*** (28.08)
<i>Financial Constraint</i>	-0.0008 (-0.56)	-0.1377*** (-23.20)	-150.6368** (-1.99)	0.0026*** (4.41)	0.0671*** (6.36)
<i>Abnormal Return</i>	-0.0017 (-0.84)	-0.0019 (-0.23)	-357.6989*** (-3.40)	-0.0001 (-0.22)	-0.0294** (-2.52)
<i>CEO Tenure</i>	-0.0014** (-2.33)	-0.0028 (-1.13)	413.0418*** (12.86)	0.0009*** (3.80)	0.0086** (1.98)
<i>CEO Wealth</i>	0.0003 (0.15)	-0.0137** (-2.06)	-203.803** (-2.41)	0.0002 (0.27)	-0.0168 (-1.64)
CEO Fixed Effects	Yes	Yes	Yes	Yes	Yes
Firm Fixed Effects	Yes	Yes	Yes	Yes	Yes
Observations	1,252	1,252	1,252	953	953
Firms	181	181	181	140	140
CEOs who do not switch	131	131	131	116	116
CEOs who switch	96	96	96	70	70
<i>Proportion of variance explained by:</i>					
R-Squared: CEO Fixed Effect	0.61	0.13	0.48	0.49	0.01
R-Squared: Firm Fixed Effect	0.19	0.07	0.06	0.37	0.04
R-Squared: Model	0.82	0.70	0.92	0.91	0.88

***Significant at the 1% level; **5% level; * 10% level.

Appendix Table 4 presents the results of estimates of equation (1). The variables are defined as follows: *R&D* is research and development expense scaled by sales; *Dividends* is cash dividends paid scaled by book value of equity; *BV Equity* is book value of equity; *Inst Holdings* is institutional holdings scaled by total assets; *Inst Holdings/BV Equity* is institutional holdings scaled by book value of equity; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 5
CEO Materialism and CSR Net Z Scores

	ZCSR Net Score	ZCSR Strengths	ZCSR Weaknesses
	(1)	(2)	(3)
<i>Intercept</i>	-0.7238*** (-2.88)	-2.5268*** (-10.63)	-2.1191*** (-9.13)
<i>Material</i>	-0.3419*** (-4.15)	-0.2418*** (-3.27)	0.1249** (2.08)
<i>Size</i>	0.1515*** (4.27)	0.4744*** (13.69)	0.3579*** (11.46)
<i>Return on Assets</i>	0.0255 (0.06)	-1.0640*** (-2.92)	-1.5923*** (-4.13)
<i>Market-to-Book</i>	0.0008 (0.63)	0.0011 (1.10)	0.0005 (0.42)
<i>Debt-to-Equity</i>	-0.0021 (-0.65)	-0.0056 (-1.25)	-0.0053 (-1.30)
<i>Financial Constraint</i>	-0.0175 (-0.66)	0.0364 (1.57)	0.0621** (2.28)
<i>Abnormal Return</i>	-0.0928** (-2.37)	-0.1260** (-2.57)	-0.0272 (-1.30)
<i>CEO Tenure</i>	0.0002 (0.03)	-0.0043 (-0.68)	-0.0059 (-1.34)
<i>CEO Wealth</i>	-0.0139 (-0.44)	-0.0611** (-2.07)	-0.0374 (-1.57)
Observations	4,302	4,302	4,302
R Squared	0.05	0.27	0.20

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 5 presents the results of estimates of equation (2). The variables are defined as follows: *ZCSR Net Score* is the industry and year z-scored net CSR score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *ZCSR Strengths* is the industry and year z-scored net strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *ZCSR Weaknesses* is the industry and year z-scored net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *Material* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 6
CEO Materialism and CSR Individual Category Net Z Scores

	ZCommunity	ZDiversity	ZEmployee	ZEnvironment	ZProduct
	(1)	(2)	(3)	(4)	(5)
<i>Intercept</i>	-1.1234*** (-4.72)	-2.0844*** (-10.03)	-0.2712 (-1.10)	0.4317* (1.75)	2.2510*** (7.79)
<i>Material</i>	-0.1522** (-2.20)	-0.529** (-2.32)	-0.1752** (-2.34)	-0.2362*** (-2.95)	-0.1770** (-2.31)
<i>Size</i>	0.2184*** (6.08)	0.3555*** (12.12)	0.0758** (2.34)	-0.0993*** (-2.84)	-0.2919*** (-7.62)
<i>Return on Assets</i>	-1.2340*** (-3.72)	-0.9554*** (-3.02)	0.7026** (1.97)	1.1301*** (3.19)	1.5784*** (3.21)
<i>Market-to-Book</i>	0.0017 (1.04)	0.0001 (0.11)	0.0003 (0.26)	0.0003 (0.52)	0.0001 (0.03)
<i>Debt-to-Equity</i>	-0.0073 (-0.95)	-0.0004 (-0.16)	-0.0020 (-0.60)	0.0011 (0.62)	0.0008 (0.22)
<i>Financial Constraint</i>	-0.0648** (-2.50)	0.0388* (1.87)	-0.0388* (-1.66)	-0.0364 (-1.54)	0.0007 (0.02)
<i>Abnormal Return</i>	-0.0635* (-1.74)	-0.0953* (-1.89)	-0.0812*** (-2.62)	-0.0074 (-0.25)	0.0543 (1.59)
<i>CEO Tenure</i>	-0.0018 (-0.41)	-0.0155*** (-3.05)	0.0019 (0.41)	0.0096 (1.53)	0.0149*** (2.66)
<i>CEO Wealth</i>	-0.0225 (-0.96)	-0.0165 (-0.68)	-0.0228 (-0.73)	0.0274* (1.75)	-0.0347 (-1.04)
Observations	4,302	4,302	4,302	4,302	4,302
R Squared	0.07	0.21	0.02	0.04	0.13

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 6 presents results of estimates of equation (2). The variables are defined as follows: *ZCommunity*, *ZDiversity*, *ZEmployee*, *ZEnvironment*, and *ZProduct* are the industry and year z-scored net scores (strengths less concerns) calculated for the individual CSR categories respectively; *Material* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 7
CEO Materialism and CSR Net Scores

	CSR Net Score	CSR Strengths	CSR Weaknesses
	(1)	(2)	(3)
<i>Material</i>	-0.6885*** (-3.94)	-0.4035*** (-2.70)	0.2851** (2.44)
<i>Size</i>	0.4573*** (6.02)	1.0399*** (13.25)	0.5825*** (10.32)
<i>Return on Assets</i>	-0.0664 (-0.08)	-2.5512*** (-3.35)	-2.4848*** (-3.87)
<i>Market-to-Book</i>	0.0018 (0.67)	0.0029 (1.04)	0.0011 (0.72)
<i>Debt-to-Equity</i>	-0.0100 (-1.19)	-0.0167 (-1.42)	-0.0067 (-0.98)
<i>Financial Constraint</i>	-0.0556 (-0.95)	0.0111 (0.21)	0.0666 (1.37)
<i>Abnormal Return</i>	-0.1540 (-1.65)	-0.1968* (-1.72)	-0.0428 (-0.82)
<i>CEO Tenure</i>	0.0060 (0.45)	0.0029 (0.24)	-0.0031 (-0.50)
<i>CEO Wealth</i>	-0.1402* (-1.95)	-0.1876*** (-3.05)	-0.0474 (-1.13)
<i>Institutional Holdings</i>	0.0223 (0.79)	0.0602** (2.37)	0.0379** (2.02)
Observations	3,004	3,004	3,004
Adjusted R Squared	0.15	0.34	0.35

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 7 presents results of estimates of equation (2). The variables are defined as follows: *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Strengths* is net strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Weaknesses* is net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *Material* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007); *Institutional Holdings* is the number of shares of the firm's stock held by institutions.

Appendix Table 8
CEO Materialism - Top Half - and Net CSR Scores

	CSR Net Score	CSR Strengths	CSR Weaknesses
	(1)	(2)	(3)
<i>Material Top Half</i>	-0.7658*** (-3.81)	-0.4428*** (-2.78)	0.3230*** (2.64)
<i>Size</i>	0.5109*** (5.64)	1.0953*** (13.62)	0.5844*** (10.03)
<i>Return on Assets</i>	0.4702 (0.48)	-2.0741** (-2.50)	-2.5443*** (-4.17)
<i>Market-to-Book</i>	0.0004 (0.08)	0.0001 (0.02)	-0.0003 (-0.11)
<i>Debt-to-Equity</i>	-0.0023 (-0.46)	-0.0084 (-1.01)	-0.0061 (-1.33)
<i>Financial Constraint</i>	-0.0145 (-0.25)	0.0398 (0.80)	0.0542 (1.45)
<i>Abnormal Return</i>	-0.1562** (-2.03)	-0.2632** (-2.37)	-0.1070 (-1.57)
<i>CEO Tenure</i>	0.0044 (0.32)	-0.0038 (-0.28)	-0.0083 (-1.23)
<i>CEO Wealth</i>	-0.1550** (-2.21)	-0.2013*** (-3.24)	-0.0463 (-1.19)
Industry Fixed Effects	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes
Observations	3,140	3,140	3,140
Adjusted R Squared	0.15	0.34	0.37

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 8 presents results of estimates of equation (2). The variables are defined as follows: *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Strengths* is net strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Weaknesses* is net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *Material Top Half* is an indicator variable that equals 1 if the CEO is in the top half of materialistic CEOs based on an estimate of total dollar value of vehicles, boats, primary residence, and additional homes, 0 for non-materialistic CEOs; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 9
CEO Materialism - Continuous Measure - and CSR Net Scores

	CSR Net Score	CSR Strengths	CSR Weaknesses
	(1)	(2)	(3)
<i>Cont Material</i>	-0.0281*** (-3.18)	-0.0174** (-2.24)	0.0107** (2.12)
<i>Size</i>	0.4201*** (5.29)	1.0076*** (13.71)	0.5875*** (11.26)
<i>Return on Assets</i>	0.5530 (0.62)	-2.0415*** (-2.69)	-2.5945*** (-4.77)
<i>Market-to-Book</i>	0.0023 (0.92)	0.0025 (1.20)	0.0003 (0.24)
<i>Debt-to-Equity</i>	-0.0057 (-0.97)	-0.0104 (-1.23)	-0.0047 (-1.08)
<i>Financial Constraint</i>	-0.0426 (-0.83)	0.0393 (0.89)	0.0819** (2.36)
<i>Abnormal Return</i>	-0.1693** (-2.03)	-0.2704** (-2.50)	-0.1011* (-1.88)
<i>CEO Tenure</i>	-0.0116 (-0.96)	-0.0136 (-1.24)	-0.0020 (-0.35)
<i>CEO Wealth</i>	-0.0908 (-1.43)	-0.1347** (-2.46)	-0.0439 (-1.24)
Industry Fixed Effects	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes
Observations	4,302	4,302	4,302
Adjusted R Squared	0.15	0.33	0.37

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 9 presents results of estimates of equation (2). The variables are defined as follows: *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Strengths* is net strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Weaknesses* is net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *Cont Material* is the peak estimated value of the CEO's vehicles, boats, primary residence, and additional homes; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 10
CEO Materialism - Higher Bar - and CSR Net Scores

	CSR Net Score	CSR Strengths	CSR Weaknesses
	(1)	(2)	(3)
<i>Material</i>	-0.6003*** (-3.26)	-0.2952** (-2.24)	0.3051** (2.50)
<i>Size</i>	0.3932*** (5.12)	0.9779*** (13.59)	0.5847*** (11.68)
<i>Return on Assets</i>	0.7236 (0.81)	-1.9955*** (-2.65)	-2.7191*** (-4.96)
<i>Market-to-Book</i>	0.0021 (0.83)	0.0023 (1.09)	0.0002 (0.16)
<i>Debt-to-Equity</i>	-0.0052 (-0.86)	-0.0101 (-1.19)	-0.0049 (-1.12)
<i>Financial Constraint</i>	-0.0311 (-0.59)	0.0447 (1.01)	0.0758** (2.14)
<i>Abnormal Return</i>	-0.1936** (-2.45)	-0.3029*** (-2.84)	-0.1093* (-1.91)
<i>CEO Tenure</i>	-0.0031 (-0.26)	-0.0093 (-0.86)	-0.0062 (-1.05)
<i>CEO Wealth</i>	-0.0805 (-1.25)	-0.1307** (-2.36)	-0.0502 (-1.40)
Industry Fixed Effects	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes
Observations	4,302	4,302	4,302
Adjusted R Squared	0.13	0.32	0.36

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 10 presents results of estimates of equation (2). The variables are defined as follows: *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Strengths* is net strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Weaknesses* is net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *Material High Bar* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$110,000, boats >40 feet, a primary residence worth more than five times the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than 5 times the average home price in the corresponding metropolitan area, 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 11
Correlation Matrix: CEO Characteristics

	<i>Material</i>	<i>Record</i>	<i>Female</i>	<i>Born Recession</i>	<i>Over- confidence</i>	<i>Narcissism</i>	<i>MBA</i>	<i>Top MBA</i>	<i>Military</i>	<i>Work Recession</i>	<i>CEO Wealth</i>
<i>Material</i>	1										
<i>Record</i>	-0.018	1									
<i>Female</i>	-0.053*	-0.074*	1								
<i>Born Recession</i>	0.041	-0.007	-0.015	1							
<i>Overconfidence</i>	0.024	-0.083	0.063	-0.074	1						
<i>Narcissism</i>	-0.009	0.047	0.028	0.023	0.187*	1					
<i>MBA</i>	0.008	-0.013	-0.045	-0.017	-0.001	-0.034	1				
<i>Top MBA</i>	-0.022	-0.039	-0.004	-0.019	0.0417	-0.058	0.646*	1			
<i>Military</i>	0.031	-0.025	-0.053	-0.031	0.089	0.068	0.135*	0.108*	1		
<i>Work Recession</i>	0.022	-0.014	-0.028	-0.016	-0.034	0.029	0.029	0.070*	-0.004	1	
<i>CEO Wealth</i>	-0.027	-0.039	-0.021	0.018	-0.009	-0.082	0.024	0.055*	0.007	-0.038	1

* Significant at the 10% level or better.

Appendix Table 11 presents correlations of CEO characteristics. *Material* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *Record* is an indicator variable that equals 1 if the CEO has broken the law, 0 otherwise; *Female* is an indicator variable that equals 1 if the CEO is female, 0 otherwise; *Born Recession* is an indicator variable that equals 1 if the CEO was born during a recession, 0 otherwise; *Overconfidence* is an indicator variable that equals 1 if the CEO is a net acquirer of shares during years 4 through 8 of his tenure, 0 otherwise; *Narcissism* is the area of the CEO's signature collected from the firm's 10-k filing scaled by the number of letters in their name; *MBA* is an indicator variable that equals 1 if the CEO has an MBA degree, 0 otherwise; *Top MBA* is an indicator variable that equals 1 if the CEO has an MBA from a school with an average rank in the top 10, 0 otherwise; *Military* is an indicator variable that equals 1 if the CEO has military experience, 0 otherwise; *Work Recession* is an indicator variable that equals 1 if the CEO began his professional career during a recession, 0 otherwise; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 12
CEO Materialism and Other CEO Characteristics

	Material		
	(1)	(2)	(3)
<i>Intercept</i>	-0.2190* (-1.96)	-0.4481 (-1.44)	-0.0498 (-0.21)
<i>Record</i>	-0.1137 (-0.63)	0.4456 (1.18)	0.0674 (0.24)
<i>Female</i>	-0.6309 (-1.37)	omitted	-1.3410* (-1.69)
<i>Born Recession</i>	0.1489 (1.04)	0.2222 (0.83)	0.1778 (0.81)
<i>MBA</i>	0.1218 (0.66)	0.3661 (1.08)	-0.0755 (-0.29)
<i>Top MBA</i>	-0.3063 (-1.31)	-*.9834* (-2.21)	-0.1394 (-0.40)
<i>Military</i>	0.1201 (0.51)	0.1959 (0.46)	0.1891 (0.44)
<i>Work Recession</i>	0.0856 (0.50)	0.0957 (0.29)	-0.0865 (-0.32)
<i>CEO Wealth</i>	-0.0127 (-0.62)	-0.0669 (-1.01)	-0.0243 (-0.71)
<i>Overconfidence</i>		0.1938 (0.66)	
<i>Narcissism</i>			-0.0003 (-0.16)
Observations	888	264	385
Pseudo R Squared	0.01	0.03	0.01

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 12 presents the results of estimates of a regression of CEO materialism on other individual characteristics. *Material* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *Record* is an indicator variable that equals 1 if the CEO has broken the law, 0 otherwise; *Female* is an indicator variable that equals 1 if the CEO is female, 0 otherwise; *Born Recession* is an indicator variable that equals 1 if the CEO was born during a recession, 0 otherwise; *MBA* is an indicator variable that equals 1 if the CEO has an MBA degree, 0 otherwise; *Top MBA* is an indicator variable that equals 1 if the CEO has an MBA from a school with an average rank in the top 10, 0 otherwise; *Military* is an indicator variable that equals 1 if the CEO has military experience, 0 otherwise; *Work Recession* is an indicator variable that equals 1 if the CEO began his professional career during a recession, 0 otherwise; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007); *Overconfidence* is an indicator variable that equals 1 if the CEO is a net acquirer of shares during years 4 through 8 of his tenure, 0 otherwise; *Narcissism* is the area of the CEO's signature collected from the firm's 10-k filing scaled by the number of letters in their name.

Appendix Table 13
CEO Materialism, CEO Characteristics, and CSR Net Score

	CSR Net Score	
	(1)	(2)
<i>Material</i>	-0.8041*** (-4.19)	-1.3417*** (-3.20)
<i>Size</i>	0.4406*** (4.99)	0.5756*** (2.67)
<i>Return on Assets</i>	0.3398 (0.34)	2.2305 (0.81)
<i>Market-to-Book</i>	0.0012 (0.53)	0.1343*** (6.72)
<i>Debt-to-Equity</i>	-0.0051 (-0.91)	-0.0459*** (-6.17)
<i>Financial Constraint</i>	-0.0748 (-1.24)	-0.3247* (-1.69)
<i>Abnormal Return</i>	-0.2082** (-2.31)	-0.5886*** (-3.73)
<i>CEO Tenure</i>	0.0203 (0.91)	0.0559 (1.18)
<i>CEO Wealth</i>	-0.1321* (-1.78)	-0.2064 (-1.20)
<i>Record</i>	-0.3196 (-1.49)	-0.4144 (-0.85)
<i>Female</i>	0.6108 (1.23)	omitted
<i>Born Recession</i>	0.0633 (0.33)	0.0796 (0.22)
<i>MBA</i>	-0.1252 (-0.58)	-0.7046 (-1.48)
<i>Top MBA</i>	0.2315 (0.83)	0.0319 (0.05)
<i>Military</i>	0.3213 (1.19)	0.5109 (0.67)
<i>Work Recession</i>	0.3213 (1.19)	0.5606 (0.96)
<i>Overconfidence</i>		0.3019 (0.68)
<i>Narcissism</i>		-0.0041 (-1.08)
Industry Fixed Effects	Yes	Yes
Year Fixed Effects	Yes	Yes
Observations	3,324	860
Adjusted R Squared	0.18	0.29

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 13 - Continued

Appendix Table 13 presents results of estimates of equation (2). The variables are defined as follows: *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *Material* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007); *Record* is an indicator variable that equals 1 if the CEO has broken the law, 0 otherwise; *Female* is an indicator variable that equals 1 if the CEO is female, 0 otherwise; *Born Recession* is an indicator variable that equals 1 if the CEO was born during a recession, 0 otherwise; *MBA* is an indicator variable that equals 1 if the CEO has an MBA degree, 0 otherwise; *Top MBA* is an indicator variable that equals 1 if the CEO has an MBA from a school with an average rank in the top 10, 0 otherwise; *Military* is an indicator variable that equals 1 if the CEO has military experience, 0 otherwise; *Work Recession* is an indicator variable that equals 1 if the CEO began his professional career during a recession, 0 otherwise; *Overconfidence* is an indicator variable that equals 1 if the CEO is a net acquirer of shares during years 4 through 8 of his tenure, 0 otherwise; *Narcissism* is the area of the CEO's signature collected from the firm's 10-k filing scaled by the number of letters in their name.

Appendix Table 14
CEO Materialism and CSR Net Scores - Instrument Variables Specification

	CSR Net Score	CSR Strengths	CSR Weaknesses
	(1)	(2)	(3)
<i>Intercept</i>	-0.2912578 (-1.33)	-2.1881*** (-11.56)	-2.4615*** (-12.50)
<i>Material</i>	-1.6719*** (-4.84)	-0.9270*** (-3.11)	1.2575*** (4.05)
<i>Size</i>	0.2209*** (10.97)	0.5055*** (29.14)	0.3126*** (17.31)
<i>Return on Assets</i>	0.5913* (1.97)	-0.9157*** (-3.53)	-2.3331*** (-8.64)
<i>Market-to-Book</i>	0.0006 (0.59)	0.0016* (1.76)	0.0012 (1.28)
<i>Debt-to-Equity</i>	-0.0043 (-1.61)	-0.0094*** (-4.10)	-0.0065*** (-2.73)
<i>Financial Constraint</i>	-0.0122 (-0.69)	0.0326** (2.13)	0.0463*** (2.90)
<i>Abnormal Return</i>	-0.0871** (-2.14)	-0.1061*** (-3.03)	-0.0247 (-0.68)
<i>CEO Tenure</i>	0.0015 (0.44)	-0.0054* (-1.8)	-0.0111*** (-3.57)
<i>CEO Wealth</i>	-0.0574*** (-2.70)	-0.0910*** (-4.95)	-0.0081 (-0.42)
Observations	4,016	4,016	4,016
R Squared	0.14	0.21	0.02
Cragg-Donald F-Stat	29.11	27.45	28.34
Durbin-Wu-Hausman Chi Squared P-Value	0.18	0.21	0.14

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 14 presents estimates of equation (2) in an instrumental variables design. The instrument used is the existence of any social ties between the CEO and the board of directors. The variables are defined as follows: *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Strengths* is net strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Weaknesses* is net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *Material* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 15
Predecessor-Successor Analysis: All Turnovers

	CSR Net Score	CSR Strengths	CSR Weaknesses
	(1)	(2)	(3)
<i>Intercept</i>	-2.1434** (-2.51)	-4.6496*** (-5.34)	-2.5062*** (-4.38)
<i>New CEO Material</i>	-0.1815* (-1.70)	-0.4481* (-1.94)	-0.2666 (-0.84)
<i>Successor</i>	0.1226 (1.44)	0.1004 (0.61)	-0.0222 (-0.57)
<i>Change CEO Type</i>	0.0019 (0.08)	-0.0940 (-0.50)	-0.0959 (-0.41)
<i>New CEO Material * Successor</i>	-0.2557** (-2.42)	-0.2217** (-2.23)	0.0340 (0.71)
<i>New CEO Material * Change CEO Type</i>	0.1819** (2.15)	0.1216* (1.95)	-0.0603 (-1.54)
<i>Successor * Change CEO Type</i>	0.4836** (2.54)	0.3271* (1.83)	-0.1565 (-1.42)
<i>New CEO Material * Successor * Change CEO Type</i>	-0.7004*** (-2.70)	-0.4912** (-2.38)	0.2092** (2.03)
<i>Size</i>	0.5136*** (3.81)	1.2118*** (9.33)	0.6982*** (8.56)
<i>Return on Assets</i>	-1.2538 (-0.86)	-1.4062 (-1.09)	-0.1523 (-0.17)
<i>Market-to-Book</i>	0.1391*** (3.99)	0.0639 (1.60)	-0.0752*** (-2.88)
<i>Debt-to-Equity</i>	-0.0917*** (-3.18)	-0.0668** (-2.32)	0.0249 (1.49)
<i>Financial Constraint</i>	-0.1785 (-1.21)	0.0724 (0.53)	0.2509*** (2.77)
<i>Abnormal Return</i>	-0.5384*** (-3.72)	-0.6257*** (-4.73)	-0.0873 (-0.79)
<i>CEO Tenure</i>	-0.0070 (-0.40)	-0.0135 (-0.76)	-0.0064 (-0.61)
<i>CEO Wealth</i>	-0.1163 (-1.15)	-0.2457*** (-2.81)	-0.1294** (-2.21)
<i>Analysis of Changes:</i>			
Non-Materialistic CEO to Non-Materialistic CEO	0.1226 (0.88)	0.1004 (0.64)	-0.0222 (-0.05)
Materialistic CEO to Non-Materialistic CEO	0.6062*** (2.62)	0.4275** (2.38)	-0.1787* (-1.75)
Materialistic CEO to Materialistic CEO	-0.1331 (-0.92)	-0.1213 (-0.54)	0.0118 (0.73)
Non-Materialistic CEO to Materialistic CEO	-0.3499** (-2.27)	-0.2854 (-1.46)	0.0645 (-0.48)
Observations	2,012	2,012	2,012
R Squared	0.12	0.26	0.21

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 15 - Continued

Appendix Table 15 presents results of estimates of equation (3). The variables are defined as follows: *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Strengths* is net strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Weaknesses* is net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *New CEO Material* is an indicator variable that equals 1 if the new CEO hired is materialistic, 0 otherwise; *Successor* is an indicator variable that equals 1 if the CSR score is measured during the successor CEO's tenure, 0 otherwise; *Change CEO Type* is an indicator variable that equals 1 if there was a change in CEO type from the predecessor to the successor, 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Return on Assets* is operating income before depreciation divided by the firm's book value of total assets; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Tenure* is the number of years the CEO has spent in the firm in his role as CEO; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 16
Test of Means: CEO Materialism and CSR Scores

	Material	Non-Material	Difference - P-Value
	(1)	(2)	(3)
<i>CSR Net Score</i>	0.02	0.76	<0.01
<i>CSR Strengths</i>	1.86	2.22	<0.01
<i>CSR Weaknesses</i>	1.84	1.46	<0.01
<i>Community</i>	0.16	0.25	<0.01
<i>Diversity</i>	0.52	0.68	<0.01
<i>Employee</i>	-0.06	0.09	<0.01
<i>Environment</i>	-0.25	-0.03	<0.01
<i>Product</i>	-0.42	-0.30	<0.01

Appendix Table 16 presents tests of mean differences in CSR scores for firms with materialistic and non-materialistic CEOs. The variables are defined as follows: *Material* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Strengths* is net strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Weaknesses* is net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *Community*, *Diversity*, *Employee*, *Environment*, and *Product* are the net scores (strengths less concerns) calculated for the individual CSR categories respectively.

Appendix Table 17
Intra-CEO Analysis: Pre and Post Revelation of Materialism

	CSR Net Score	CSR Strengths	CSR Weaknesses
	(1)	(2)	(3)
<i>Post Reveal</i>	0.0416 (0.35)	-0.1552 (-0.67)	-0.1969 (-1.19)
<i>Size</i>	-0.5781* (-1.85)	-0.3367 (-1.26)	0.2413 (0.85)
<i>Return on Assets</i>	2.7727* (1.88)	0.7460 (0.45)	-2.0267 (-1.38)
<i>Market-to-Book</i>	0.0052 (0.89)	0.0020 (0.36)	-0.0032 (-0.67)
<i>Debt-to-Equity</i>	-0.0586 (-1.13)	-0.0230 (-0.47)	0.0356 (0.84)
<i>Financial Constraint</i>	-0.1870** (-2.10)	-0.1586 (-1.28)	0.0284 (0.32)
<i>Abnormal Return</i>	-0.1059 (-0.68)	-0.1326 (-0.80)	-0.0267 (-0.20)
<i>CEO Wealth</i>	0.2865 (1.42)	0.2892 (1.45)	0.0026 (0.02)
CEO Fixed Effects	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes
Observations	594	594	594
Adjusted R Squared	0.74	0.77	0.86

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 17 presents results of estimates of equation (2). The variables are defined as follows: *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Strengths* is net strengths calculated for the Community, Diversity, Employee, Environment, and Product groups; *CSR Weaknesses* is net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups; *Post Reveal* is an indicator variable that equals 1 if the observation took place after the CEO revealed his type, 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *Abnormal Return* is the market adjusted annual return; *CEO Wealth* is the natural logarithm of the CEO's firm based wealth and non-firm based wealth following Dittmann and Maug (2007).

Appendix Table 18
Components of CEO Annual Compensation

	Non-Materialistic CEOs			Materialistic CEOs		
	Mean	Median	Standard Deviation	Mean	Median	Standard Deviation
<i>Salary</i>	769	762	377	795	774	371
<i>Bonus</i>	805	317	1,504	842	351*	1,377
<i>Stock Award</i>	555	0	1,580	606	0	1,645
<i>Option Award</i>	475	0	1,415	451	0	1,336
<i>Option Award Blk</i>	1,972	0	4,522	1,954	321*	4,144
<i>LTIP</i>	169	0	737	230**	0	831
<i>Total Comp</i>	6,596	3,756	8,096	6,674	3,851	7,712

***Significant at the 1% level; **5% level; * 10% level.

Appendix Table 18 presents the mean, median and standard deviation of compensation variables for non-materialistic and materialistic CEOs. The significance of t-tests of differences in means and Wilcoxon/Chi-square tests of differences in medians are presented next to the corresponding variables for materialistic CEOs. *Salary* is the base compensation received; *Bonus* is the cash bonus received; *Stock Award* is the value of any stock awarded measured per FAS 123R; *Option Award* is the value of any options awarded per FAS 123R; *Option Award Blk* is the Black-Scholes estimated value of any options awarded; *LTIP* is the value of any long-term incentive plan compensation; *Total Comp* is the total value of all compensation received.

Appendix Table 19
Correlation between CSR Scores and Compensation Components

	Non-Materialistic CEO	Materialistic CEO	Test of Difference
<i>Salary</i>	0.03	0.04*	
<i>Bonus</i>	0.05**	0.14***	*
<i>Stock Award</i>	0.04**	-0.09***	**
<i>Option Award</i>	0.04***	-0.08***	**
<i>Option Award Blk</i>	0.08***	0.15***	*
<i>LTIP</i>	0.03	0.08**	
<i>Total Comp</i>	0.08***	0.09***	

***Significant at the 1% level; **5% level; * 10% level.

Appendix Table 19 presents pearson correlations between *CSR Net Score* and components of compensation for non-materialistic and materialistic CEOs and compares the differences across the two CEO types. *Salary* is the base compensation received; *Bonus* is the cash bonus received; *Stock Award* is the value of any stock awarded measured per FAS 123R; *Option Award* is the value of any options awarded per FAS 123R; *Option Award Blk* is the Black-Scholes estimated value of any options awarded; *LTIP* is the value of any long-term incentive plan compensation; *Total Comp* is the total value of all compensation received.

Appendix Table 20
CEO Materialism, 3 Year Average CSR Net Scores, and Operating Performance

	One Year Ahead Operating Performance		
	(1)	(2)	(3)
<i>CSR Net Score</i>	0.0094*** (2.97)		
<i>CSR Strengths</i>		0.0067** (2.10)	
<i>CSR Weaknesses</i>			-0.0090** (-2.14)
<i>Material</i>	0.0185* (1.82)	0.0301** (2.27)	0.0058 (0.42)
<i>CSR * Material</i>	-0.0089** (02.11)	-0.0086** (-2.15)	0.0034 (0.72)
Coefficient Summations: T-Statistics			
<i>CSR + CSR * Material</i>	0.15	-0.55	-2.08
Control Variables	Yes	Yes	Yes
Industry Fixed Effects	Yes	Yes	Yes
Year Fixed Effects	Yes	Yes	Yes
Observations	2,215	2,215	2,215
Adjusted R Squared	0.32	0.31	0.31

***Significant at the 1% level; **5% level; * 10% level. Standard errors are clustered by executive.

Appendix Table 20 presents results of estimates of equation (4). The dependent variable, *Operating Performance* is operating profit before taxes and depreciation divided by the sum of the book values of long term debt and equity; *CSR Net Score* is the net score (strengths less concerns) calculated for the Community, Diversity, Employee, Environment, and Product groups averaged over years t-3, t-2, and t-1; *CSR Strengths* is the strengths calculated for the Community, Diversity, Employee, Environment, and Product groups averaged over years t-3, t-2, and t-1; *CSR Weaknesses* is net weaknesses or concerns calculated for the Community, Diversity, Employee, Environment, and Product groups averaged over years t-3, t-2, and t-1; *Material* is an indicator variable that equals 1 if the CEO owns luxury assets, where luxury assets include cars worth more than \$75,000, boats >25 feet, a primary residence worth more than twice the average of median home prices in the metropolitan area of his corporate headquarters, or additional homes worth more than twice the average home price in the corresponding metropolitan area, 0 otherwise; *Size* is the natural logarithm of market capitalization of the firm; *Market-to-Book* is market value of equity divided by book value of equity; *Debt-to-Equity* is book value of long-term debt, including the current portion of long-term debt, divided by book value of equity; *Financial Constraint* is the measure of financial constraint developed by Kaplan and Zingales (1997); *R&D* is research and development expense divided by sales; *SGA* is selling, general and administrative expense divided by sales; *Board Independence* is the percentage of independent board members; *Sales* is sales divided by total assets; *Liquidity* is cash and short-term investments divided by total assets; *SD Returns* is the standard deviation of monthly returns. Coefficient summations display the statistical significance of the absolute association (difference from 0) between CSR scores and firm performance in firms with materialistic CEOs.

Appendix Table 21
CSR Category Strengths and Concerns (KLD)

CSR Category	Strengths	Concerns
Community	<p>Charitable giving.</p> <p>Innovative giving supporting nonprofit organizations, particularly those promoting self-sufficiency among the economically disadvantaged.</p> <p>Non-US Charitable giving.</p> <p>Support for housing for the economically disadvantaged.</p> <p>Support for education for primary or secondary school education, particularly for those programs that benefit the economically disadvantaged, or support for job-training programs for youth.</p> <p>Relations with indigenous peoples in the areas of its proposed or current operations that respect the sovereignty, land, culture, human rights, and intellectual property of the indigenous peoples.</p> <p>Volunteer programs.</p> <p>Other in-kind giving programs or notably positive community activities.</p>	<p>Tax disputes</p> <p>Negative economic impact on the community, such as issues related to environmental contamination, water rights disputes, plant closings, "put-or-pay" contracts with trash incinerators, or other company actions that adversely affect the quality of life, tax base, or property values in the community.</p> <p>Serious controversies related to disrespecting the sovereignty, land, culture, human rights, and intellectual property of indigenous peoples.</p> <p>Other noteworthy community controversies.</p> <p>The company is a financial institution whose lending or investment practices have led to controversies.</p>
Diversity	<p>Promotion of women and minorities, particularly to line positions with profit-and-loss responsibilities in the corporation.</p> <p>Women, minorities, and/or the disabled hold four seats or more (with no double counting) on the board of directors, or one-third or more of the board seats if the board numbers less than 12.</p> <p>Work/life benefits for employee, <i>e.g.</i> , childcare, elder care, or flextime.</p> <p>Subcontracting, with women and/or minority-owned businesses.</p> <p>Employment of the disabled</p> <p>Benefits for gay & lesbian employees.</p> <p>Other notable commitments to diversity.</p>	<p>Fines or civil penalties related to affirmative action issues.</p> <p>Non-representation of women on its board of directors or among its senior line managers.</p> <p>Other diversity controversies.</p>

Appendix Table 21 - Continued

CSR Category	Strengths	Concerns
Employee Relations	<p>Strong union relations.</p> <p>No-layoff policy.</p> <p>Cash profit sharing with a majority of the workforce.</p> <p>Employee involvement and/or ownership through stock options; gain sharing, stock ownership, sharing of financial information, or participation in management decision making.</p> <p>Strong retirement benefits.</p> <p>Strong health and safety programs.</p> <p>Other strong employee relations initiatives.</p>	<p>Poor union relations.</p> <p>Workforce reductions.</p> <p>Under funded defined benefit pension plan, or inadequate retirement benefits program.</p> <p>Fines or civil penalties for willful violations of employee health and safety standards, or involvement in major health and safety controversies.</p> <p>Other employee relations controversies.</p>
Environment	<p>The company derives substantial revenues from innovative remediation products, environmental services, or products that promote the efficient use of energy, or it has developed innovative products with environmental benefits.</p> <p>Pollution prevention programs.</p> <p>Recycling programs.</p> <p>Use of renewable energy and clean fuels, energy efficiency, and promotion of climate-friendly policies and practices.</p> <p>The company is a signatory to the CERES Principles, publishes a notably substantive environmental report, or has notably effective internal communications systems in place for environmental best practices.</p> <p>The company maintains its property, plant, and equipment with above average environmental performance for its industry.</p> <p>Commitments to other environmentally proactive activities.</p>	<p>Fines or civil penalties for violations of air, water, or other environmental regulations, or it has a pattern of regulatory controversies under the Clean Air Act, Clean Water Act or other major environmental regulations.</p> <p>Liabilities/ fines / penalties for hazardous waste management violations.</p> <p>The company is among the top manufacturers of ozone depleting chemicals.</p> <p>The company is a substantial producer of agricultural chemicals, <i>i.e.</i>, pesticides or chemical fertilizers.</p> <p>The company's legal emissions of toxic chemicals (as defined by and reported to the EPA) from individual plants into the air and water are among the highest of the companies followed by KLD.</p> <p>The company derives substantial revenues from the sale/ combustion of coal or oil and its derivative fuel products.</p> <p>Other environmental controversies.</p>
Product	<p>The company has a long-term, well-developed, company-wide quality program, or it has a quality program recognized as exceptional in U.S. industry.</p>	<p>Fines or civil penalties, or involvement in major recent controversies or regulatory actions, relating to the safety of products and services.</p> <p>Fines or civil penalties relating to advertising practices, consumer fraud, or government contracting; or involvement in marketing or contracting controversies.</p> <p>Fines or civil penalties for antitrust violations such as price fixing, collusion, or predatory pricing, or is involved in recent major controversies or regulatory actions relating to antitrust allegations.</p> <p>Other product-related controversies.</p>